

Agenda Item 3

Minute



Draft

Minute of meeting of the Audit Committee held remotely, on Friday 18 June 2021 at 9.30 a.m.

Voting Members: Allyson Black (Vice-Chair)
Gordon Johnston (Chair)

Non – voting Members: Robert Clark, NHS Staff Representative

Also Attending: Patricia Cassidy, Chief Officer
Sophie Dick, Democratic Services Graduate
Brian Pirie, Democratic Services Manager
Grace Scanlin, EY (External Audit)
Jillian Thomson, Chief Finance Officer
Isabel Wright, Internal Audit, Risk and Corporate Fraud Manager

AC1. Apologies

There were no apologies.

AC2. Declarations of Interest

There were no declarations.

AC3. Minute

Decision

The minute of the meeting of the Audit Committee held on 5 March 2021 was approved.

AC4. Strategic Risk Register

The committee considered a report by the Chief Finance Officer which provided an update on the IJB's Strategic Risk Register.

No new risks had been added to the register since last reported on 5 March 2021. However, following a workshop with the Senior Leadership Team on 21 April 2021, 2 risks had been removed from the register, Directions and Transition of operational management of NHS services to Partnerships.



There were currently 9 live risks recorded, 7 of which were considered as high risk with the remaining 2 risks assessed as medium.

The committee raised concerns around the ongoing issues with recruitment and maintaining staff levels in care homes. The Chief Finance Officer concurred and explained that the problem of recruiting would be monitored under the Capacity and Infrastructure Risk. Issues relating to providers recruiting sustainable workforces would be highlighted under the Commissioning Risk. As these risks were evaluated, it would allow the IJB to mitigate problems and innovate their approach to recruitment. The committee recognised that recruitment issues were a national problem and that this compounded the situation with Falkirk competing with other areas.

Members repeated comments raised at the last meeting around access to G.P.'s and suggested that the 'message' around the benefits of the Primary Care contract needed to be communicated more effectively.

The committee praised the Senior Leadership Team's strategic risk workshop but noted that there had been an absence of clinicians present. The Chief Finance Officer acknowledged this but added that there would be follow-up 1-2-1 meetings with the senior leadership so there would be further opportunity to input.

Decision

The Committee noted:-

- (1) the high level summary of the strategic risk register presented at section 4.2. of the report, and**
- (2) that work was underway to develop the format and content of the 21-22 detailed strategic risk register following a dedicated risk workshop held with the Senior Leadership Team on 21 April 2021.**

AC5. Internal Audit Annual Assurance Report

The committee considered a report by the Internal Audit, Risk & Corporate Fraud Manager which provided an update on the IJB's arrangements for risk management, governance, and control, based on Internal Audit work undertaken and reported during 2020/21.

The report also noted compliance with Public Sector Internal Audit Standards.

Due to the impact of Covid-19, the 2021 assurance could not be provided on the basis of the substantively completed internal audit plan. However, some outputs from the NHS Forth Valley and Falkirk Council audits were able to be used to support the assurance opinion.

Following a question, the Internal Audit, Risk & Corporate Fraud manager explained that substantial assurance could be given because of audits carried out on systems used by the Health and Social Care Partnership as part of the Council's Internal Audit Plan including which included an audit of the Falkirk Pension Fund.

Decision

The Committee noted:-

- (1) that sufficient Internal Audit activity was undertaken to allow a balanced assurance to be provided;**
- (2) that Internal Audit can provide substantial assurance on the IJB's arrangements for risk management, governance, and control for the year to 31 March 2021, and**
- (3) that Internal Audit operates in compliance with PSIAS.**

AC6. Unaudited Annual Report and Accounts 2020-21

The committee considered a report by the Chief Finance Officer presenting the 2020-21 unaudited annual accounts of Falkirk IJB.

The Chief Finance Officer explained that the surplus of £11.414m was caused by the limited use of resources due to the pandemic, for example funding towards carers holiday pay and also due to late funding from the Scottish Government. Any unused Covid-19 funding would be carried forward.

There was one outstanding account which was in relation to PPE. Audit Scotland had referred to local health boards as the consumer of PPE and therefore records of PPE expenditure should be controlled by Falkirk IJB rather than the NHS National Services Scotland. Jillian Thompson explained that this would be resolved shortly. This change would have little material impact on the accounts.

The committee then focused on support services which is not included in the Integration Scheme, but rather a complimentary service provided. The Chief Finance Officer explained that some areas of the Corporate Support Services provided by the Partnership were working well, although some areas needed further improvement. Risk Management was an aspect that had previously been identified but had since been resolved. She continued to identify Planning and Finance as core areas of interest of improvement and further work.

Decision

The committee:-

- (1) noted the unaudited annual accounts;**
- (2) noted the public inspection period, and**
- (3) noted that the unaudited annual accounts would be submitted to the IJB's External Auditor by the statutory deadline of 30 June 2021.**

AC7. National Audit and Inspection Report Overview

The committee considered a report by the Chief Finance Officer presenting an overview of all national audit, scrutiny and inspection reports published since the previous Audit Committee meeting held on 5 March 2021.

The committee discussed on the intended implementation of purchase cards in Burnbrae and asked how patients would be able to purchase goods if they did not have access to cash. Members also noted patients often did not have the ability to purchase online. The Chief Finance Officer explained that the Service was reviewing its Corporate Appointee policy and procedure, including benchmarking with other Boards. She explained that in a care home setting, purchase cards would be easier to implement in comparison to the wider community. The Chief Finance Officer assured the committee that a resolution would be found.

The committee questioned the apparent imbalance in the respective inputs of nurses and carers in the development of the Burnbrae reports. Committee noted that inclusion of nurses would improve the quality of the report. The Chief Finance Officer stated that this suggestion would be taken back to colleagues.

The committee praised the Southfields report as it highlighted the pressures on those with complex needs in recruitment and retention.

Decision

The Committee noted the report.

AC8. Audit Committee Annual Assurance Statement

The committee considered a report by the Chief Finance Officer presenting the Audit Committee's 2020/21 Annual Assurance Statement.

The report provided a summary of the business which the Audit Committee had considered, membership and attendance in the same format as the previous year.

Decision

The Committee approved the 2020/21 Audit Committee Annual Assurance Statement.